

Home Again

Program Guidelines – Indiana Housing and Community Development Authority

These guidelines are provided for property owners who are participants of Indiana Housing and Community Development Authority's (IHCDA) Home Again Program. The intent of this program is to provide upfront direct 12 month rental assistance payment to the owner, each 12 months for up to a maximum of 36 months, on a per unit basis. In exchange, the owners are required to restrict the unit(s) to a rent at or below the area 30% Area Median Income ("AMI").

If you have questions regarding this information or otherwise need technical assistance, please contact an IHCDA Multi-Family Analyst.

Allocation Method

The Home Again Program is a direct-assistance opportunity for eligible owners of multi-family properties that currently carry IHCDA funding restrictions, such as affordability covenants related to HOME, CDBG, Development Fund, and/or Low-Income Housing Tax Credits. In exchange for an affordability agreement, eligible property owners will receive an upfront direct 12 month rental assistance payment to the owner, for up to a maximum of 36 months, on a per unit basis, to offset the cost of reduced rent for a Home Again Program participant. In exchange, the owners are required to restrict the unit(s) to a rent at or below the area 30% Area Median Income ("AMI"). The "supplement" offered to property owners will be based on the property's maximum 30% RHTC Rent Limit, based on County and unit size, minus 30% of the pre-qualified tenant's income.

In addition, IHCDA will make available, on a reimbursement basis, funds for accessibility improvements to units that the property owner agrees to make available to participants of the Home Again Program. Reimbursement of accessibility improvements will be based on the needs of the individual resident as determined by a case manager. Upon assessment of the participant and an inspection of the desired unit, the case manager will submit to IHCDA and to the property owner, a list of specific modifications required to make the unit accessible. IHCDA will draft an agreement with the property owner and issue funds for accessibility improvements and the lump-sum rental payment.

The rental assistance payment and accessibility funds would only be available for persons whose income is under 60% of AMI. For persons whose income is over 60% AMI, but under 80% AMI, the program would only provide accessibility funds to property owners, and not a "supplement" amount.

Subsidy Limitations

IHCDA will provide eligible property owners, in exchange for an affordability agreement, an upfront direct 12 month rental assistance payment to the owner, for up to a maximum of 36 months, on a per unit basis, to offset the cost of reduced rent for a Home Again Program participant whose income is under the 60% AMI, based on the property's maximum 30% RHTC Rent Limit, adjusted for County and unit size, minus 30% of the pre-qualified tenant's income.

In addition, IHCDA will make available, on a reimbursement basis, funds for accessibility improvements to units that the property owner agrees to make available to participants of the Home Again Program. Reimbursement of accessibility improvements would be based on the needs of the resident as determined by a case manager and approved by IHCDA and the property owner.

Example 1:

A nursing home resident in Allen County earning \$1,145 / month and desiring to live in a two-bedroom unit would be required to pay a rent amount equal to 30% of the resident's monthly income, up to a maximum amount which is

not to exceed the property's maximum 30% AMI Rent Limit, for as long as the resident continued to reside in the unit.

The property owner would receive:

- Reimbursement for the requisite accessibility modifications to the desired unit
- First 36 months:
 - Monthly rental income of \$343 from the new tenant
 - Tenant Income of $\$1,145/\text{month} * 30\% = \343
 - An upfront direct 12 month rental assistance payment (paid on an annual basis) to the owner, payment in the amount of \$1,200, for a maximum of 36 months (or \$3,600).
 - The amount of rental assistance would be determined based on the property's maximum 30% RHTC Rent Limit, based on County and unit size, minus 30% of the pre-qualified tenant's income. Currently, the maximum 2 bedroom rent limit at 30% AMI in Allen County would be \$443.
 - $\$443 - \$343 = \$100 * 12 \text{ months} = \$1,200$
- Beyond 36 months:
 - Monthly rental income of \$343 from the tenant.
 - Income of $\$1,145/\text{month} * 30\% = \343
 - The owner is required to maintain the same reduced rent level for as long as the individual's household composition remains the same. The reduced rent limit shall remain equal to the lesser of: either 30% of the tenant's monthly income or a rent at or below the area 30% Area Median Income ("AMI").

Example 2:

A nursing home resident in Marion County earning \$674 / month and desiring to live in a one-bedroom unit would be required to pay a rent amount equal to 30% of the resident's monthly income, up to a maximum amount which is not to exceed the property's maximum 30% AMI Rent Limit, for as long as the resident continued to reside in the unit.

The property owner would receive:

- Reimbursement for the requisite accessibility modifications to the desired unit
- First 36 months:
 - Monthly rental income of \$202 from the new tenant
 - Tenant Income of $\$647/\text{month} * 30\% = \202
 - An upfront direct 12 month rental assistance payment (paid on an annual basis) to the owner, payment in the amount of 2,172, for a maximum of 36 months (or \$6,516).
 - The amount of rental assistance would be determined based on the property's maximum 30% RHTC Rent Limit, based on County and unit size, minus 30% of the pre-qualified tenant's income. Currently, the maximum 1 bedroom rent limit at 30% AMI in Marion County would be \$383.
 - $\$383 - \$202 = \$181 * 12 \text{ months} = \$2,172$
- Beyond 36 months:
 - Monthly rental income of \$202 from the tenant.
 - Income of $\$647/\text{month} * 30\% = \202
 - The owner is required to maintain the same reduced rent level for as long as the individual's household composition remains the same. The reduced rent limit shall remain equal to the lesser of: either 30% of the tenant's monthly income or a rent at or below the area 30% Area Median Income ("AMI").

Eligible Properties

IHCDA will determine eligibility of properties in the Home Again Program. To be considered for eligibility, a property owner:

- Must be a recipient of an IHCD affordable housing program that currently has a deed restriction placed on the property
- Must be in good standing with respective mortgage holder(s)
- Must be in good standing with IHCD
- Completed Home Again Application

Eligible Tenants

The Division of Aging and its contractors will determine eligibility of tenant participants in the Home Again Program. All participants must be eligible for Medicaid Waiver Services at the time they are referred to the Home Again Program. A team of individuals will be assigned to assist the tenant with the necessary services needed to facilitate the tenant's transition into the program. After completion of transition, the program will provide the tenant with ongoing in-home services, the necessity for which will be determined by the Transition Team and a case manager assigned by the Family and Social Services Administration-Division of Aging (FSSA-DA) or its contractors. The case manager will meet with the participant, at a minimum on a quarterly basis, throughout the time the participant continues in the program, and will review and recommend changes to the appropriate level of services.

Program Provisions

- All units assisted under the Home Again Program are required to participate in Indiana's Affordable Housing Database and search service, and listed under the Special Needs Module, which is available at www.indianahousingnow.org.
- All regulatory requirements listed in the State of Indiana's Qualified Allocation Plan and Compliance Manual must be met, in addition to the requirements of Home Again Program.
- Units partially or fully funded through the use of IHCD allocated HOME Funds must also meet the following program provisions:
 - All regulatory HOME requirements listed in 24 CFR Part 92 must be met. IHCD is bound to these regulations and may require additional requirements.
 - Contractor liability and/or property insurance that includes coverage for work done by contractors are required throughout the construction period.
 - Recipients are subject to the HUD requirements of dealing with lead based paint hazards. For an explanation of the regulatory requirements, see IHCD's HOME Award Manual.
 - The housing must meet the accessibility requirements of [24 CFR Part 8](#), which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined at [24 CFR Part 100.201](#). It must also meet the design and construction requirements at [24 CFR 100.205](#), and which implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619). See [IHCD's HOME Award Manual](#) for guidance on the regulatory requirements of Section 504 Accessibility Standards.

Units partially or fully funded through the use of IHCD allocated CDBG Funds must also meet the following program provisions:

- All regulatory CDBG requirements listed in [24 CFR Part 570](#) must be met.
- Recipients of a CDBG award must follow competitive procurement procedures for all costs.
- The housing must meet the accessibility requirements of [24 CFR Part 8](#), which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined at [24 CFR 100.201](#). It must also meet the design and construction requirements at [24 CFR 100.205](#), which implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619). See [IHCD's CDBG Award Manual](#) for guidance on the regulatory requirements of Section 504 Accessibility Standards.
- Recipients of a CDBG award are subject to the HUD requirements of dealing with lead-based paint hazards required by [24 CFR Part 35](#). If a risk assessment is required, then all lead-based paint issues must be addressed. See [IHCD's Implementation Manual](#) for guidance on the regulatory requirements of lead-based paint.

Affordability Requirements

In exchange for a rental assistance payment, the property owner will be required to offer a reduced rent equal to 30% of the tenant's monthly income, not to exceed a rent at or below the area 30% Area Median Income ("AMI"). If the tenant resides in the unit longer than 36 months, the property owner will be required to maintain the same reduced rent level for as long as the individual's household composition remains the same. The reduced rent limit shall remain equal to the lesser of: either 30% of the tenant's monthly income or a rent at or below the area 30% Area Median Income ("AMI").

In the event a tenant vacates a unit prior to completing any one of the 12 month rental assistance periods, the owner shall be required to repay any "pre-paid" rental assistance to IHCD on a prorated basis. The unit will then no longer be required to participate in the Home Again Program.

Form of Assistance

IHCDA will provide the funds to the property owner in the form of a grant. Award documents must be executed in order to access funds and may include, but not limited to: award agreement, resolution, and declaration of affordability commitment.